

July 30, 2010

## Haiti Update

Frustration continues to be heard about the slow pace of the reconstruction process. Immediate emergency aid has established temporary tent cities and provided food, water and medical care, but there still hasn't been much movement in regards to activities such as the removal of the mountains of rubble; building more durable housing; or beginning the infrastructure and various sector projects as outlined in the Haiti Action Plan for the National Reconstruction and Development.

Two key factors help understand the delay in the implementation of reconstruction projects in Haiti:

1) Interim Haiti Reconstruction Commission (IHRC – website: www.cirh.ht)

The IHRC concept was a result of the March 31<sup>st</sup> U.N. Donors Conference in New York, and was formally established in April by the Government of Haiti (President René Préval and the Haitian Parliament). The Commission has two Co-Chairs: Haitian Prime Minister Jean-Max Bellerive and former U.S. President Bill Clinton.

The mandate of the IHRC is to conduct strategic planning and coordinate and implement resources from bilateral & multilateral donors, NGOs and the private sector with transparency and accountability, to ensure that all activities are aligned with the Action Plan for National Recovery & Development of Haiti.

The IHRC has not yet hired its Executive Director (expected shortly), and has also not yet filled a number of its other staff positions. The IHRC is made up of a combination of both Haitian and international voting members, currently there are 27 voting Board members (14 from Haiti and 13 international – names listed on the IHRC website), with four additional non-voting Board members.

The IHRC must review and approve all projects being financed by the Multi-Donor Trust Fund, established at the World Bank. The lack of having a fully functional IHRC in place has delayed the process; however, progress is expected in the coming months, now that the IHRC is completing its formation phase.

**Note:** The IHRC approval process is structured to function as follows, to facilitate the implementation of projects:

- ✓ Projects valued at \$1 million or less approval by IHRC Executive Director
- ✓ Projects valued from \$1 to 10 million approval by the two IHRC Co-Chairs
- ✓ Projects valued at over \$10 million approval by the IHRC Board





In a meeting of the IHRC Board on June 17<sup>th</sup>, \$31 million in projects were approved to bridge the Haitian government's budget shortfall, and to provide shelter for this hurricane season. Millions of dollars for other projects are in the pipeline (the IHRC website will include specifics as the projects move forward).

**2)** Only about 10 percent of the initial \$5.3 billion pledged by governments at the March United Nations Donors Conference has actually been disbursed to the World Bank Multi-Donor Trust Fund. Increased disbursements are expected in the near term.

Other issues to keep in mind are the **upcoming elections in Haiti, scheduled for November 28th.** These elections will include 10 Senate seats, 99 Deputies and the Presidency. Several private sector contacts in Haiti have noted that the upcoming elections may cause some delays in regards to business decisions.

## Where to look for information about opportunities and projects in Haiti?

This is the most common question we hear, companies want to find a central source for information about the multiple upcoming projects relating to the reconstruction of the country; however, there simply isn't just one source for all of the information concerning the rebuilding of an entire country, which involves multiple national and international organizations, and a massive and complex Action Plan. The following are a number of key points of contact to obtain information about opportunities and projects regarding the reconstruction of Haiti:

- 1) Interim Haiti Reconstruction Commission (IHRC) www.cirh.ht
- **2)** U.S. Agency for International Development (USAID) www.fbo.gov opportunities to compete for contracts related to Haiti can be found on this site (using keyword "Haiti"). And www.grants.gov lists opportunities to compete for grants related to Haiti (using keyword "Haiti").
- 3) United Nations Development Business www.devbusiness.com

This site is accessed via subscription, and is for opportunities to supply goods, works and services to the United Nations and multi-lateral development banks, including the World Bank (WB) and the Inter-American Development Bank (IDB).

In addition to Procurement Notices, this site includes **Contract Awards**, which lists awards made by the WB, IDB and other development banks, listing the contract details, which provides opportunities for **subcontracting opportunities**.





### 4) Development Gateway (DG) Haiti portal – www.refondation.ht

DG is an international NGO which helps to manage global international aid programs more effectively. U.N. Special Envoy for Haiti, Bill Clinton, asked DG to assist in managing the various aid programs in Haiti. This site provides general information about aid programs and donations for Haiti.

**5) Haitian Newspapers** – the World Bank and other organizations are announcing a number of their project opportunities only in Haiti, which are listed in the major Haitian newspapers, restricted to local Haitian firms (which include Haiti based foreign subsidiaries, or local Haitian partners of U.S. firms). Monitoring the local newspapers is also a good method to be informed about local developments.

Newspaper Sources: Le Nouvelliste (French) - www.lenouvelliste.com Other papers can be found at: www.onlinenewspapers.com/haiti.htm

### Sources for Support Regarding Investment Projects in Haiti

U.S. companies contact us often seeking financial support for projects they are interested in developing in Haiti. The following organizations can provide assistance in that regard:

#### 1) U.S. Overseas Private Investment Corporation (OPIC) - www.opic.gov

OPIC has programs to assist in project financing; normally a project should have at least 25 percent U.S. equity to qualify for their programs. For more details contact: Suzanne Etcheverry, Tel.: (202) 336-8585; Email: Suzanne.Etcheverry@opic.gov

#### 2) Clinton Bush Haiti Fund (CBHF) - www.clintonbushhaitifund.org

The CBHF was established last March, and the Fund is looking to participate in sustainable private sector projects, which create jobs and support social/economic development. For details contact: Jean Pierre-Louis, Program Manager, Tel.: (202) 457-7608; Email: jean.pierre-louise@clintonbushhaitifund.org

### 3) International Finance Corporation (IFC) - www.ifc.org

The IFC (part of the World Bank Group) is actively looking to support viable private sector projects in Haiti, on their website click on "countries" and then on "Haiti" for country specific information.

#### 4) Inter-American Development Bank (IDB) - www.iadb.org

IDB is financing a number of projects in Haiti in various key sectors, on their website click on "countries" and then on "Haiti" for more information. The Haiti IDB office email is: BIDHaiti@iadb.org





Note: CS Santo Domingo can provide information for key contacts at both the IFC and IDB for those companies interested in exploring investment opportunities in Haiti.

- If you have not yet already registered on our "Haiti Interest List" in order to receive the Haiti Business Bulletins, please do so via our website: www.buyusa.gov/caribbean (click on "Haiti disaster relief and reconstruction Efforts" on the left-side panel)
- Contacts in the U.S. Commercial Service Office for the Caribbean, based in Santo Domingo: Robert Jones, Regional Senior Commercial Officer (email: robert.jones@trade.gov); Megan Schildgen, Regional Commercial Attaché (email: megan.schildgen@trade.gov); and Maria Elena Portorreal, Regional Senior Commercial Specialist (email: maria.portorreal@trade.gov)

